

ASSEMBLY COMMUNITY DEVELOPMENT AND WOMEN'S
AFFAIRS COMMITTEE

STATEMENT TO

ASSEMBLY, No. 4548

STATE OF NEW JERSEY

DATED: SEPTEMBER 23, 2024

The Assembly Community Development and Women's Affairs Committee reports favorably Assembly Bill No. 4548.

This bill provides corporation business and gross income tax credits to taxpayers that employ certain persons with disabilities. The credit would be for up to 15 percent of the wages paid by the taxpayer during a taxable year to a qualifying employee with a disability, not to exceed \$2,000 per qualified employee.

To claim the credit, a taxpayer would be required to submit an application to the Director of the Division of Vocational Rehabilitation Services in the Department of Labor and Workforce Development for certification that the employee has a disability for purposes of qualifying for the credit. A copy of the certification would be included with the taxpayer's tax return. The contents of the certification would only state the fact the employee has a qualifying disability and not disclose any private or confidential health information.

The bill requires the director to establish an application process and prescribe the form and manner through which a taxpayer may submit an application to obtain a certification from the director that an employee is a qualified employee with a disability for purposes of the tax credit. The bill provides that applications would be deemed approved and written authorizations are deemed issued if the director fails to make a determination regarding the application within 90 calendar days of the date a complete application is received or if the director fails to issue a written authorization within five calendar days of the date a determination is made.

The bill defines a "qualified employee with a disability" as a person with a disability recognized under the federal "Americans with Disabilities Act of 1990," Pub.L.101-336 (42 U.S.C. s. 12102). A qualified employee is also required to be employed by the taxpayer for at least 35 hours a week and paid wages at a rate of no less than \$15 per hour. A taxpayer would be unable to claim the credit for the wages paid to a person with a disability who works for the taxpayer as an independent contractor or on a consulting basis.